

Message Text

UNCLASSIFIED

PAGE 01 RIO DE 02175 101545Z

60

ACTION XMB-04

INFO OCT-01 ARA-10 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 OPIC-06 SP-02

CIEP-02 LAB-04 SIL-01 OMB-01 (ISO) W

----- 010668

R 101510Z JUL 75

FM AMCONSUL RIO DE JANEIRO

TO SECSTATE WASHDC 2660

INFO AMEMBASSY BRASILIA

AMCONSUL SAO PAULO

UNCLAS RIO DE JANEIRO 2175

E. O. 11652: N/A

TAGS: EFIN, BR

SUBJ: EXIMBANK LOANS TO REDE FERROVIARIA FEDERAL

1. REDE FERROVIARIA FEDERAL (RFF) HAS CONTACT CONGEN REGARDING DIFFICULTY IN PROPOSED EXIMBANK CREDIT (NO. 5730). CREDIT INVOLVES SALES OF GE LOCOMOTIVES TO BRAZILIAN NATIONAL RAILROAD. SEPARATELY, LOCAL BETHLEHEM STEEL REP HAS CONTACTED CONGEN REQUESTING EXPEDITED EXIM CONSIDERATION OF LOAN TO RFF FOR PURCHASE OF RAILS (CREDIT 5148).

2. DIFFICULTY ON GE LOAN APPARENTLY REVOLVES AROUND ARTICLE 10, SECTION M "WAIVER SOVEREIGN IMMUNITY JURISDICTION SERVICE OF PROCESS". RFF HAS PROVIDED CONGEN WITH COPY OF CORRESPONDENCE WITH EXIMBANK AND HAS REITERATED THEIR POSITION THAT ENTIRETY OF PARAGRAPH M SHOULD BE DELETED, NOT JUST REFERENCED TO GUARANTOR. RFF ALSO REPEATED ARGUMENT THAT SUCH CLAUSES HAVE NOT BEEN IN PREVIOUS AGREEMENTS. CONGEN ADVISED RFF IT WOULD LOOK INTO MATTER, BUT NOTED THAT EXIMBANK HAS OWN ESTABLISHED PROCEDURES. CONGEN WOULD HOWEVER APPRECIATE BEING KEPT ADVISED ON THIS MATTER. CONGEN NOTES THAT AT LEAST ONE PREVIOUS AGREEMENT WITH RFF, COPY IN OUR POSSESSION, DID NOT CONTAIN SUCH A CLAUSE. THIS WAS AUGUST 11, 1971, CREDIT NUMBER 3296.

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PAGE 02 RIO DE 02175 101545Z

3. LOCAL BETHLEHEM STEEL REPRESENTATIVE HAS ASKED CONGEN IF

EXIMBANK COULD EXPEDITE CONTRACT FOR ADDITIONAL SALE OF US\$15
MILLION OF RAILS TO RFF. SINCE FREDERICO BRAGA, RFF DIRECTOR,
WILL BE TRAVELING TO THE UNITED STATES TOWARD END OF JULY TO
SIGN GE LOCOMOTIVE LOAN (HOPEFULLY), BETHLEHEM WOULD LIKE TO BE
ABLE TO SIGN THEIR LOAN AT THE SAME TIME. THIS LOAN INVOLVES
EXTENSION OF EXIM CREDIT NUMBER 5148.
DEXTER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BANK LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 10 JUL 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975RIODE02175
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750239-0778
From: RIO DE JANEIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750769/aaaacjha.tel
Line Count: 68
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION XMB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
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Review Authority: SmithRJ
Review Comment: n/a
Review Content Flags:
Review Date: 11 FEB 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11 FEB 2003 by ThomasVJ>; APPROVED <18 MAR 2004 by SmithRJ>
Review Markings:

Margaret P. Grafeld
Declassified/Released
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06 JUL 2006

Review Media Identifier:
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Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EXIMBANK LOANS TO REDE FERROVIARIA FEDERAL
TAGS: EFIN, BR, XMB
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006